REMARKS

Claims 1-30 are pending. Claims 8, 9, 18, 19, 28, and 29 have been cancelled. Claims 1-7, 10-17, 20-27, and 30 have been amended. Claims 31-33 are new. Claims 1-7, 10-17, 20-27, and 30-33 remain in the application. No new matter has been entered.

Claims 1-30 stand rejected under 35 U.S.C. § 112, second paragraph, for indefiniteness. Independent Claims 1, 11, and 21 have been amended to clarify that each contingency provides an uncertainty that an event related to the information will occur. Support for the claim amendments can be found in the specification on p. 5, ¶ 2. No new matter has been entered. Claims 8, 9, 18, 19, 28, and 29 have been canceled. Withdrawal of the rejection under 35 U.S.C. 112, second paragraph, is respectfully requested.

Claims 1, 2, 6-12, 16-22, and 26-30 stand rejected under 35 U.S.C. § 103(a) as being obvious over U.S. Patent No. 5,794,207, issued to Walker et al. ("Walker") in view of U.S. Patent No. 6,529,885, issued to Johnson ("Johnson"). Applicant traverses the rejection.

To establish a *prima facie* case of obviousness, the examiner has the burden of proving that (1) there is some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine the reference teachings; (2) there is a reasonable expectation of success; and (3) the combined references teach or suggest all the claim limitations. MPEP § 2143. A *prima facie* of obviousness case has not been shown.

The Walker patent discloses a method and apparatus for facilitating buyer-driven conditional purchase offers (CPOs). A buyer who wishes to make a purchase accesses a central controller located at a remote server and creates a CPO by specifying the subject of the goods and any other conditions that the buyer requires (C. 8, l. 44-49). The buyer logs on to the central controller, creates the CPO, and disconnects from the network (C. 15, l. 49-50). When formulating the CPO, the buyer adds the conditions that are the terms of the CPO that allow

the buyer to tailor the CPO for his specific needs (C. 16, l. 19-45). Standard legal provisions and language are integrated with the CPO to "fill in the gaps" of the buyer's purchase offer (C. 8, l. 61-63). The CPO is made available to potential sellers by posting the CPO on a Web page of the central controller (C. 15, l. 50-52). Seller responses are transmitted electronically to the central controller, which contacts the buyer to indicate that the CPO has been bound in a formal contract with the seller (C. 15, l. 56-58). The central controller transfers credit card information to the seller as soon as the CPO is bound (C. 15, l. 58-59). Various methods of payment may be utilized, including credit cards, and the timing of payment can be varied, including paying the seller immediately after the seller accepts the CPO or delayed until after the seller performs his obligations under the contract (C. 9, l. 33-43).

The Johnson patent discloses methods and systems for securely carrying out electronic transactions, including electronic drafts, where payment on at least one draft is contingent upon the removal of an associated contingency (Abs.). The option to remove the contingency associated with a draft can only be exercised by an authenticated party or authenticated contingency remover (Abs.; C. 23, l. 5-15). A secure computer site that is controlled by a bank and that is accessible only to the authenticated parties to a transaction is established (C. 4, l. 54-57). The site is configured to provide a description of the contingency and to include an option to remove the contingency, which is a precondition to the bank releasing payment on the draft to a payee (C. 4, l. 57-61). A Web seller receives a purchase request from a Web buyer (C. 12, l. 32-33). The Web buyer and the Web seller may then establish a secure communication channel to the secure computer site (C. 12, l. 42-46). Bank iDraft software at the Web seller's site receives the Web buyer's identification and executes an iDraft transaction (C. 12, l. 62-65). The Web buyer may be authenticated and the Web buyer's home bank may wish to check the now-authenticated Web buyer's current account balances or credit limits before authorizing or releasing payment on the iDraft transaction (C. 13, l. 44-49). Payment on the draft is released to the payee, that is, the Web

seller, only when a drawer of the draft, that is, the Web buyer, is successfully authenticated by the bank and when the option to remove the contingency is timely exercised by an authenticated party that is authorized (C. 4, l. 67-C. 5, l. 4). Once payment is released, the Web buyer's account is debited and the Web seller's account is credited for the amount of the purchase (C. 13, l. 49-54).

First, there is no suggestion or motivation to modify or combine the references. Walker teaches facilitating CPO transactions in which the buyers' conditions are posted as part of each offer and a seller becomes legally bound by those conditions upon acceptance of the CPO. Johnson teaches a form of third party escrow to facilitate electronic commerce transactions that include contingencies as preconditions to the third party, that is, a bank, releasing payment. The conditions taught by Walker and the contingencies taught by Johnson are distinct notions. A condition, per Walker, specifies a buyer's specific needs that must be met by a seller that chooses to accept, and thereby become legally bound by, the CPO to form a new contract. A contingency, per Johnson, is a precondition for a bank, which is a third party to an existing contract, to release payment or take other action following removal of the contingency under the contract by either party or the bank. Thus, a condition, as taught by Walker, originates with a buyer and must be met by a seller only after which a legally binding contract will be formed. A contingency, as taught by Johnson, can originate with and can be removed by a buyer, seller, or third party who are involved with a contract, and can be applicable to aspects of the transaction existing independently of the buyer's needs. Moreover, a contingency, as taught by Johnson, only applies to parties that are already legally bound by a contract and a third party, such as a bank. Thus, the post-contract formation contingency removal taught by Johnson teaches away from the pre-contract formation buyer condition specification taught by Walker and one of ordinary skill in the art would not be inclined to modify or combine these references.

Arguably, a reasonable expectation of success exists. Combining Johnson's teaching would add post-contract formation contingency checking into

the pre-contract formation condition specification taught by Walker, even though the pre-contract condition specification does not require, and can operate wholly independently from, post-contract formation contingency clearance.

Nevertheless, the combined references fail to teach or suggest all the claim limitations. Walker teaches communicating a binding CPO to potential sellers, in which acceptance alone binds the parties into a contract, after which the seller must perform and the buyer must pay. Johnson teaches a bank making payment to a seller upon the removal of contingencies by parties to an existing contract. Combining the teachings of Walker and Johnson provides pre-contract formation condition specification and post-contract formation contingency removal.

The independent claims, Claims 1, 11, and 21 have each been amended to clarify the inventive subject matter and better distinguish over Walker and Johnson. In amending the claims, no new matter was entered. Pursuant to 37 CFR 1.111(b) and (c), the specific distinctions believed to render the claims patentable over the applied references and the patentable novelty, which the applicant believes the claims present in view of the state of the art disclosed by the references cited and the objections made will now be discussed with respect to Claims 1, 11, and 21.

Claim 1 defines a method for selling information to a buyer. Each process step of Claim 1 has been amended. First, Claim 1 recites receiving an offer *from a buyer* for information *wherein the offer includes* at least one contingency *that* provides an uncertainty *of an event related to* the information *occurring* (emphasis added to amendments). Support can be found in the specification on p. 8, ¶ 1; p. 5, ¶ 1; p. 9, ¶ 3; and p. 10, ¶ 1. No contract between a buyer and a seller is formed upon receipt of an offer alone. In contrast, Walker teaches allowing a buyer to modify a CPO to impose conditions tailored to the buyer's specific needs and those needs serve as preconditions to contract formation. Any seller that chooses to become legally bound in a contracting relationship with the buyer must accept the buyer's conditions, whereas Claim 1 defers contract formation.

Second, Claim 1 recites providing the information from a seller in response to the offer, the information *including* at least one condition about the at least one contingency, wherein *satisfaction of the at least one* condition *will resolve the uncertainty of the event occurring to satisfy* at least one of the contingencies *and will trigger at least part of a payment from the buyer*, and wherein *acceptance of* the at least one condition *forms a contract and the at least one condition* is unsatisfied when the information is provided (emphasis added to amendments). Support can be found in the specification on p. 4, ¶ 7-p. 5, ¶ 1; p. 7, ¶ 3; p. 9, ¶ 1 and ¶ 3-p. 10, ¶ 1; and p. 13, ¶ 4. A contract is formed if the *buyer* accepts the *seller's* conditions about the contingency that were included with the information. In contrast, Walker teaches that any uncertainty as to the buyer's conditions are moot because a contract was already formed upon the seller's acceptance of the buyer's conditions. The risk of fulfilling the buyer's conditions remains with the seller, whereas Claim 1 recites enabling a seller to opt-out of meeting the buyer's contingencies by attaching seller's conditions to the contingencies. As a result, the seller need not perform if the buyer rejects the seller's conditions.

Third, Claim 1 recites receiving *the at least part of the* payment upon *the* satisfaction of the at least one condition after the information has been provided to the buyer *and the buyer has subsequently determined that the at least one condition has resolved the uncertainty of the event occurring to satisfy the at least one contingency* (emphasis added to amendments). Support can be found in the specification on p. 4, ¶ 7-p. 5, ¶ 1; p. 9, ¶ 3-p. 10, ¶ 1; and p. 13, ¶ 4-p. 14, ¶ 1. The buyer is able to confirm that the contingency, which will trigger at least a partial payment, has been resolved by the condition that was included with the information. In contrast, Johnson teaches that the occurrence of an event related to the information or goods alone will not serve to remove a contingency.

As a result, the Walker-Johnson combination fails to teach or suggest a method providing pre-contract formation buyer contingencies that provide uncertainty that events related to the information will occur, wherein the seller

can set conditions on the buyer's contingencies, which, if met, will trigger at least part of a payment from the buyer. Thus, the combined references fail to teach or suggest all the claim limitations, per independent Claim 1.

Claim 11 defines a system for selling information to a buyer. Each element of Claim 11 has also been amended in a fashion similar to the process steps of Claim 1, but for a machine. Support can be found in the same paragraphs of the specification and additionally on p. 13, ¶ 1-p. 14, ¶ 1.

As well, similar specific distinctions and patentable novelty are defined by Claim 11 in the context of a system for selling information. First, the receiving system provides that no contract between a buyer and a seller is formed upon receipt of an offer alone. In contrast, Walker teaches allowing a buyer to modify a CPO to impose conditions tailored to the buyer's specific needs and those needs serve as preconditions to contract formation. Any seller that chooses to become legally bound in a contracting relationship with the buyer must accept the buyer's conditions, whereas Claim 11 defers contract formation. Second, the source for the information provides that a contract is formed if the *buyer* accepts the *seller's* conditions about the contingency that were included with the information. In contrast, Walker teaches that any uncertainty as to the buyer's conditions are moot because a contract was already formed upon the seller's acceptance of the buyer's conditions. The risk of fulfilling the buyer's conditions remains with the seller, whereas Claim 11 recites enabling a seller to opt-out of meeting the buyer's contingencies by attaching seller's conditions to the contingencies. As a result, the seller need not perform if the buyer rejects the seller's conditions. Third, the contingent payment processing system provides that the buyer is able to confirm that the contingency, which will trigger at least a partial payment, has been resolved by the condition that was included with the information. In contrast, Johnson teaches that the occurrence of an event related to the information or goods alone will not serve to remove a contingency.

As a result, the Walker-Johnson combination fails to teach or suggest a system providing pre-contract formation buyer contingencies that provide

uncertainty that events related to the information will occur, wherein the seller can set conditions on the buyer's contingencies, which, if met, will trigger at least part of a payment from the buyer. Thus, the combined references fail to teach or suggest all the claim limitations, per independent Claim 11.

Finally, Claim 21 defines a computer readable medium having stored instructions for selling contingent information which when executed by a processor, causes the processor to perform. Each element of Claim 21 has also been amended in a fashion similar to those of Claim 1, but for a product. Support can be found in the same paragraphs of the specification and additionally on p. 2, ¶ 2; p. 5, ¶ 1.

As well, similar specific distinctions and patentable novelty are defined by Claim 21 in the context of a computer readable medium. First, the receiving element provides that no contract between a buyer and a seller is formed upon receipt of an offer alone. In contrast, Walker teaches allowing a buyer to modify a CPO to impose conditions tailored to the buyer's specific needs and those needs serve as preconditions to contract formation. Any seller that chooses to become legally bound in a contracting relationship with the buyer must accept the buyer's conditions, whereas Claim 21 defers contract formation. Second, the providing element provides that a contract is formed if the *buyer* accepts the *seller's* conditions about the contingency that were included with the information. In contrast, Walker teaches that any uncertainty as to the buyer's conditions are moot because a contract was already formed upon the seller's acceptance of the buyer's conditions. The risk of fulfilling the buyer's conditions remains with the seller, whereas Claim 21 recites enabling a seller to opt-out of meeting the buyer's contingencies by attaching seller's conditions to the contingencies. As a result, the seller need not perform if the buyer rejects the seller's conditions. Third, the second receiving element provides that the buyer is able to confirm that the contingency, which will trigger at least a partial payment, has been resolved by the condition that was included with the information. In contrast, Johnson teaches that the occurrence of an event related to the information or goods alone will not

serve to remove a contingency.

As a result, the Walker-Johnson combination fails to teach or suggest a system providing pre-contract formation buyer contingencies that provide uncertainty that events related to the information will occur, wherein the seller can set conditions on the buyer's contingencies, which, if met, will trigger at least part of a payment from the buyer. Thus, the combined references fail to teach or suggest all the claim limitations, per independent Claim 21.

Accordingly, a *prima facie* case of obviousness has not been shown for Independent Claims 1, 11, and 21. Claims 8, 9, 18, 19, 28, and 29 have been canceled. Claims 2, 6, 7, and 10 are dependent upon Claim 1 and are patentable for the above-stated reasons, and as further distinguished by the limitations therein. Claims 12, 16, 17, and 20 are dependent upon Claim 11 and are patentable for the above-stated reasons, and as further distinguished by the limitations therein. Claims 22, 26, 27, and 30 are dependent upon Claim 21 and are patentable for the above-stated reasons, and as further distinguished by the limitations therein. Withdrawal of rejection under 35 U.S.C. § 103(a) is respectfully requested.

Claims 3-5, 13-15, and 23-25 stand rejected under 35 U.S.C. § 103(a) as being obvious over Walker as modified by Johnson as applied to Claim 1 and further in view of U.S. Patent No. 5,608,620, issued to Lundgren ("Lundgren"). Applicant traverses the rejection.

Claims 3-5 are dependent upon Claim 1 and are patentable for the reasons stated above with respect to the rejection for obviousness over the Walker-Johnson combination, and as further distinguishable over the Walker-Johnson-Lundgren combination by the limitations therein. Claims 13-15 are dependent upon Claim 11 and are patentable for the reasons stated above with respect to the rejection for obviousness over the Walker-Johnson combination, and as further distinguishable over the Walker-Johnson-Lundgren combination by the limitations therein. Claims 23-25 are dependent upon Claim 21 and are patentable for the reasons stated above with respect to the rejection for obviousness over the

Walker-Johnson combination, and as further distinguishable over the Walker-Johnson-Lundgren combination by the limitations therein. Withdrawal of rejection under 35 U.S.C. § 103(a) is respectfully requested.

Claims 31-33 are new. No new matter has been entered. Support can also be found in the specification on p. 5, ¶ 2; p. 9, ¶ 3; p. 10, ¶ 1-p. 11, ¶ 2;. p. 12, ¶¶ 2-3; p. 13, ¶ 5. Specifically, on p. 3, ¶ 4, the specification provides that the seller may receive "no payment at all." As Claims 31-33 are respectively dependent upon independent Claims 1, 11, and 21, these new claims are patentable for the reasons stated above with respect to the rejection for obviousness over the Walker-Johnson combination, and as further distinguishable over the Walker-Johnson-Lundgren combination by the limitations therein

The prior art made of record and not relied upon has been reviewed by the applicant and is considered to be no more pertinent than the prior art references already applied.

Claims 1-7, 10-17, 20-27, and 30-33 are believed to be in condition for allowance. Entry of the foregoing amendments and new claims are requested. A Notice of Allowance is earnestly solicited. Please contact the undersigned at (206) 381-3900 regarding any questions or concerns associated with the present matter.

Respectfully submitted,

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